

Date: July 28, 2004

To: Interested Parties

Re: Revised Analysis of Alternative Proposal Submitted by  
California Dairies, Inc.

Below is the table of transportation allowance estimates for August 2003 to May 2004 using the alternative proposal submitted by California Dairies, Inc. (CDI). The changes to CDI's original alternative proposal were made clear at the public workshop held on July 20 2004. The "old" Bay Area figures have been left in for comparison. The "Bay Area Post W/S" column represents the costs to the pool of using the revised plan that was circulated at the workshop. The revised plan reduces the costs to the system by about \$70,000 per month on average relative to CDI's original proposal for the Bay Area. All analyses associated with the other receiving areas are unchanged from what was distributed at the workshop.

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Revised Alternative Proposal for CDI

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	<u>Sacramento</u>	<u>Bay Area</u>	<u>Bay Area</u> <u>Post W/S</u>	<u>Difference</u>	<u>Southern Cal</u>	<u>Solano</u>	<u>San Diego</u>
Aug-03	\$37,211	\$295,472	\$219,912	-\$75,560	\$963,589	\$50,417	\$4,663
Sep-03	\$36,023	\$294,953	\$229,000	-\$65,953	\$997,619	\$50,057	\$6,418
Oct-03	\$37,033	\$319,107	\$247,089	-\$72,018	\$988,854	\$54,323	\$6,433
Nov-03	\$35,914	\$313,733	\$242,295	-\$71,438	\$941,042	\$46,762	\$5,678
Dec-03	\$35,273	\$322,087	\$248,823	-\$73,264	\$917,199	\$49,759	\$5,281
Jan-04	\$36,025	\$329,531	\$255,692	-\$73,839	\$980,120	\$52,252	\$7,193
Feb-04	\$33,304	\$299,713	\$233,057	-\$66,656	\$945,543	\$41,212	\$6,617
Mar-04	\$39,134	\$331,088	\$257,148	-\$73,940	\$1,268,077	\$49,860	\$8,663
Apr-04	\$33,645	\$319,886	\$248,869	-\$71,017	\$1,275,611	\$51,134	\$8,486
May-04	\$37,120	\$313,778	\$249,821	-\$63,957	\$1,142,184	\$43,130	\$6,812
averages	\$36,068	\$313,935	\$243,171	-\$70,764	\$1,041,984	\$48,890	\$6,624